

CAMP OCHIGEAS

**CONSOLIDATED
FINANCIAL STATEMENTS**

OCTOBER 31, 2009

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AUDITORS' REPORT

To the Board of Directors and Members of Camp Oochigeas:

We have audited the consolidated statement of financial position of Camp Oochigeas as at October 31, 2009 and the consolidated statements of operations, changes in net assets and cash flows for the year then ended. These consolidated financial statements are the responsibility of the organization. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

In common with many charitable organizations, this organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, excess (deficiency) of revenue over expenditures, assets and surplus.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the organization as at October 31, 2009 and the results of its operations and the changes in its net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Shimmerman Penn LLP

Shimmerman Penn LLP

Chartered Accountants

Licensed Public Accountants

Toronto, Canada

December 7, 2009

CAMP OCHIGEAS

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

AS AT OCTOBER 31, 2009

	Note	Operating Reserve Fund	Capital Fund	General Fund	Total 2009	Total 2008
ASSETS						
<i>CURRENT</i>						
Cash	3	\$ 842,254	\$ -	\$ 27,211	\$ 869,465	\$ 226,927
Short term investments	4	875,571	630,700	43,967	1,550,238	2,816,794
Prepaid expenses and other receivables		-	-	225,965	225,965	301,832
		1,717,825	630,700	297,143	2,645,668	3,345,553
<i>LONG TERM</i>						
Long term investments	5	1,082,175	-	-	1,082,175	-
Capital assets	6	-	-	8,266,628	8,266,628	8,561,269
Other assets	7	-	-	705,299	705,299	705,299
		1,082,175	-	8,971,927	10,054,102	9,266,568
		\$ 2,800,000	\$ 630,700	\$ 9,269,070	\$ 12,699,770	12,612,121
LIABILITIES						
<i>CURRENT</i>						
Accounts payable and accrued liabilities		\$ -	\$ -	\$ 112,731	\$ 112,731	\$ 155,903
NET ASSETS						
Restricted	8	2,800,000	630,700	-	3,430,700	2,988,000
Unrestricted		-	-	9,156,339	9,156,339	9,468,218
		2,800,000	630,700	9,156,339	12,587,039	12,456,218
		\$ 2,800,000	\$ 630,700	\$ 9,269,070	\$ 12,699,770	\$ 12,612,121

APPROVED ON BEHALF OF THE BOARD:

_____ Director _____ Director

CAMP OCHIGEAS

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED OCTOBER 31, 2009

	Note	Capital Fund	General Fund	Total 2009	Total 2008
REVENUE					
General donations and fundraising	8, 9	\$ 468,473	\$ 2,483,088	\$ 2,951,561	\$ 3,257,416
Rental	9	-	67,233	67,233	57,338
Interest earned		-	61,365	61,365	156,186
		468,473	2,611,686	3,080,159	3,470,940
EXPENDITURES					
Residential program costs	10	\$ -	\$ 744,303	\$ 744,303	\$ 704,358
In-City program costs		-	446,812	446,812	391,780
Site repairs and maintenance		-	501,851	501,851	368,043
Fundraising costs	9	-	361,510	361,510	335,117
Administrative, office and general		-	210,130	210,130	203,533
Amortization		-	684,732	684,732	576,411
		-	2,949,338	2,949,338	2,579,242
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES					
		\$ 468,473	\$ (337,652)	\$ 130,821	\$ 891,698

CAMP OCHIGEAS

**CONSOLIDATED STATEMENT OF
CHANGES IN NET ASSETS**

YEAR ENDED OCTOBER 31, 2009

	Note	Operating Reserve Fund	Capital Fund	General Fund	Total 2009	Total 2008
Balance, beginning of the year		\$ 2,600,000	\$ 388,000	\$ 9,468,218	\$ 12,456,218	\$ 11,564,520
Excess (deficiency) of revenue over expenditures		-	468,473	(337,652)	130,821	891,698
Transfer of costs of capital assets	6	-	(325,300)	325,300	-	-
Transfers to General Fund	8(a)	-	(398,473)	398,473	-	-
Transfers from General Fund	8(b)	200,000	498,000	(698,000)	-	-
Balance, end of the year		\$ 2,800,000	\$ 630,700	\$ 9,156,339	\$ 12,587,039	\$ 12,456,218

CAMP OCHIGEAS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31, 2009

	Note	2009	2008
<i>CASH WAS PROVIDED BY (USED IN):</i>			
<i>OPERATING ACTIVITIES</i>			
Excess of revenue over expenditures		\$ 130,821	\$ 891,698
Items not affecting cash:			
Amortization of capital assets		684,732	576,411
Gain on disposal of capital assets		(2,200)	-
		813,353	1,468,109
Changes in non-cash working capital items relating to operations:			
Prepaid expenses and other receivables		75,867	(150,390)
Accounts payable and accrued liabilities		(43,172)	13,272
		32,695	(137,118)
		846,048	1,330,991
<i>FINANCING AND INVESTING ACTIVITIES</i>			
Financing and investing activities:			
Purchase of long term investment	5	(1,082,175)	-
Capital improvements	6	(325,300)	(3,403,788)
Acquisition of capital assets	6	(64,791)	(224,315)
Proceeds on disposal of capital assets		2,200	-
		(1,470,066)	(3,628,103)
<i>DECREASE IN CASH</i>			
		(624,018)	(2,297,112)
Cash and short term investments, beginning of the year		3,043,721	5,340,833
<i>CASH AND SHORT TERM INVESTMENTS, end of the year</i>		\$ 2,419,703	\$ 3,043,721

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2009

1. DESCRIPTION OF ORGANIZATION AND INCOME TAX STATUS

The mission of Camp Oochigeas is to operate camping programs for children affected by childhood cancer which include residential summer camp and off-season residential programming at the campsite in Muskoka, in addition to in-city programs in Toronto.

Camp Oochigeas was incorporated under the Canada Corporations Act on June 14, 1989 as a not for profit corporation without share capital. Camp Oochigeas is a registered charitable organization under the Income Tax Act (Canada) and, as such is exempt from income taxes and is able to issue donation receipts for income tax purposes.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the organization have been prepared in accordance with Canadian generally accepted accounting principles. The following summary of significant accounting policies is set forth to facilitate the understanding of these consolidated financial statements.

Basis of presentation

The consolidated financial statements include the accounts of the organization and its wholly owned subsidiary. All significant intercompany transactions and balances have been eliminated on consolidation.

Fund accounting

The organization follows the restricted fund method of accounting for general donations and fundraising. The organization ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expensed for the purpose for which they are provided.

For financial reporting purposes, the accounts have been classified into the following funds:

(a) General Fund

The General Fund accounts for both the organization's program delivery and administrative activities and restricted contributions for which there is no corresponding restricted fund.

(b) Capital Fund

The Capital Fund includes internally and externally restricted funds to be used for ongoing site development, capital asset purchases and capital improvements. Internally restricted funds are not available for general use without the approval of the Board of Directors (see note 8).

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2009

2. **SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Fund accounting *(continued)*

(c) Operating Reserve Fund

The purpose of the Operating Reserve Fund is to ensure the ongoing delivery of the camp's programs, in the event that additional revenue becomes unavailable due to unforeseen circumstances. The fund is internally restricted and requires the approval of the Board of Directors for any use.

Revenue recognition

Restricted contributions related to general operations are recognized as revenue in the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably ensured.

Investment income earned on Capital Fund and Operating Reserve Fund resources is recognized as revenue of the General Fund. Other investment income is recognized as revenue of the General Fund when earned.

Donations

Donations are recorded when received or known to be in transit at the fiscal year end. Donations in kind are recorded at their estimated fair value based upon appraisal and other factors pertinent to the donation, only in circumstances where donation receipts have been issued.

Short term investments

Short term investments are classified as held for trading and stated at fair value. Guaranteed Investment Certificates are stated at cost, which together with accrued interest income approximates fair value given the short term nature of these investments.

Long term investments

Long term investments are classified as held for trading and stated at fair value.

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2009

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

Capital assets

Capital assets are stated at cost less accumulated amortization. Contributed assets are stated at their estimated fair value at the date of contribution. The organization provides for amortization using the following methods at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Buildings	-	20 years
Furniture and equipment	-	3 to 5 years
Watercraft equipment	-	2 to 6 years
Computer equipment and vehicles	-	3 years
Computer software	-	3 years
Leasehold improvements	-	term of the lease

Contributed services

The organization would not be able to carry out its administrative activities without the services of volunteers who donate a considerable number of hours. Because of the difficulty of determining their fair value, the value of contributed services are not recognized in the consolidated financial statements.

Capital Management

The objectives of the Board of Directors in managing capital are to safeguard the organization's ability to maintain its programs and facilities as outlined in budgets and plans approved by the Board. The Board monitors, assesses and manages capital and makes adjustments in light of changes in economic conditions. The Board has established several internally restricted funds to achieve these objectives. The organization is only subject to external restrictions on donations in which donors specify programs or areas which their donations are to fund. The organization has complied with these externally imposed requirements.

Allocation of expenses

The organization engages in residential programming, in-city programming, fundraising, site repairs and maintenance and administrative functions. The organization allocates salaries and benefits based on efforts. Office rental and communication expenses are allocated on the same basis as head office salaries. Other costs, such as office supplies, computer maintenance, staff training and development and travel expenses are allocated based on usage.

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2009

2. **SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Use of estimates

The preparation of these consolidated financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from these estimates. Estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Pledges

Pledges are not recognized in the consolidated financial statements.

Newly adopted accounting policy

In January 2009, the CICA issued Section 4470, Disclosure of Allocated Expenses. Under this new section, organizations that classify expenditures by function are required to disclose the accounting policy, the nature of the allocated expenses, and the basis on which they are allocated.

The new section is effective for fiscal years commencing on or after January 1, 2009. Early adoption is permitted. The organization adopted the policy on November 1, 2008.

3. **CASH**

Cash is deposited in accounts with financial institutions which earn interest at the rates ranging from 0.0% to 0.5% per annum (2008 - 1.75%).

4. **SHORT TERM INVESTMENTS**

A Guaranteed Investment Certificate of \$1,505,271 (2008 - \$2,776,794) is deposited with a Canadian chartered bank and bears interest at a rate of approximately 1.00% per annum (2008 -3.15%).

In addition, a Guaranteed Investment Certificate of \$43,967 (2008 - \$40,000) maturing February 14, 2011 has been pledged as security against the organization's merchant Visa account and accordingly, has been classified as short term.

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2009

5. LONG TERM INVESTMENTS

Long term investments consists of Guaranteed Investment Certificates with a Canadian chartered bank bearing interest at a rate of approximately 1.02% per annum and mature in May 2012.

6. CAPITAL ASSETS

	Cost	Accumulated Amortization	Balance 2009	2008
Land	\$ 524,500	\$ -	\$ 524,500	\$ 524,500
Buildings	9,529,711	2,158,710	7,371,001	7,548,232
Furniture and equipment	606,850	464,854	141,996	240,486
Watercraft equipment	77,259	76,649	610	14,095
Computer equipment	142,191	85,495	56,696	85,805
Computer software	215,899	93,676	122,223	113,248
Leasehold improvements	68,905	47,963	20,942	34,902
Vehicle	31,844	3,185	28,659	-
Other	1	-	1	1
	\$11,197,160	\$ 2,930,532	\$ 8,266,628	\$ 8,561,269

Prior to November 1, 1995, the organization followed the policy of expensing all capital asset acquisitions in the year the expenditures were incurred. The value of \$1 has been assigned to other capital assets as a nominal value to identify the existence of such property acquired prior to this date.

During the year, the organization developed and acquired capital assets amounting to \$390,091 (2008 - \$3,628,103) of which \$1,500 (2008 - nil) was contributed by a donor. These were funded as follows:

	2009	2008
Capital developments, funded from Capital Fund	\$ 325,300	\$ 3,403,788
Acquisition of capital assets, funded from General Fund	64,791	224,315
Total capital assets acquired	\$ 390,091	\$ 3,628,103

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2009

7. *OTHER ASSETS*

Other assets comprise works of art which were donated to the organization in the 2005 and 2007 fiscal years. The carrying value was established at the time of donation and is based upon the donation receipted value. The receipt value was determined as the appraised value adjusted for a discount factor as considered appropriate. Management believes that there has been no impairment of these values as at October 31, 2009.

Irrevocable trusts were created to allow the donor to maintain possession of the works of art during his lifetime or until such time as the works of art are sold. Camp Oochigeas is both the trustee and capital beneficiary of the trusts.

8. *INTERFUND TRANSFERS*

(a) Transfers to the General Fund

During the year, the organization received externally restricted contributions totaling \$468,473, of which \$398,473 was directed to the General Fund. This represented a partial repayment of amounts advanced from the General Fund to the Capital Fund in the prior year for the purpose of funding capital improvements at the site. The remaining externally restricted contributions received during the year of \$70,000 was retained in the Capital Fund.

(b) Transfers from the General Fund

In accordance with the organization's targets for funding the Capital and Operating Reserve Funds, the Board of Directors authorized the transfer of \$498,000 from the General Fund to the Capital Fund and \$200,000 from the General Fund to the Operating Reserve Fund, effective October 31, 2009.

9. *GENERAL DONATIONS, FUNDRAISING AND RENTAL*

General donations and fundraising revenue are net of direct event related fundraising costs of \$96,214 (2008 - \$204,196) of which \$12,768 (2008 - \$133,262) relates to the "Summer Dreams" biennial event and \$35,215 (2008 - \$29,881) relates to the annual Sporting Life event.

Included in general donations is an amount of \$148,157 (2008 - \$144,395) relating donations received in kind.

Rental revenues are net of direct rental costs of \$44,744 (2008 - \$32,339).

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2009

10. ALLOCATION OF EXPENSES

(a) Salaries and benefits expenses of \$1,227,799 (2008 - \$1,059,956) have been allocated as follows:

	2009	2008
Residential programs	\$ 339,993	\$ 301,730
In-City programs	318,612	252,408
Site repairs and maintenance	150,966	88,005
Fundraising costs	274,112	247,619
Administrative, office and general	113,714	118,045
Capital developments	30,402	52,149
Total	\$ 1,227,799	\$ 1,059,956

(b) Other expenses (including occupancy and communication costs, office supplies, computer maintenance and staff training and development costs) of \$318,040 (2008 - \$299,015) have been allocated as follows:

	2009	2008
Residential programs	\$ 106,511	\$ 99,491
In-City programs	71,780	65,991
Site repairs and maintenance	22,891	22,369
Fundraising costs	87,130	83,030
Administrative, office and general	29,728	28,134
Total	\$ 318,040	\$ 299,015

11. FINANCIAL INSTRUMENTS

The carrying value of the organization's cash, short term investments, other receivables and accounts payable and accrued liabilities approximate their fair value due to the short term nature of these financial instruments.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant credit, currency, or interest rate risk from financial instruments. A one percent change in interest rates would not materially affect the organization's revenue, expenditures, cash flows or financial position.

CAMP OCHIGEAS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED OCTOBER 31, 2009

12. RELATED PARTY TRANSACTIONS

The organization has entered into transactions for premiums in respect of all of its insurance policies with a company of which a former member of the Audit Committee was a director. The total insurance expense in respect of the premiums on these policies in the year is \$56,984 (2008 - \$114,966).

The organization also entered into transactions for legal fees with a law firm of which a member of the Board of Directors is a partner. The total legal fees paid in the year is \$6,350 (2008 - nil).

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

13. LEASE COMMITMENTS

The organization has operating leases for office space, office equipment and a vehicle for various periods up to the year 2011. Future minimum annual lease payments exclusive of operating costs in each of the next four years are as follows:

2010	84,121
2011	6,442
2012	700

The premises lease will expire in August 2010.

14. COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform to the current year's presentation.
